

BOARD OF MAYOR AND ALDERMEN

February 17, 2004

7:30 PM

Mayor Baines called the meeting to order.

The Clerk called the roll. There were thirteen Aldermen present.

Present: Alderman Roy, Gatsas, Guinta, Sysyn, Osborne, O'Neil, Lopez,
Shea, DeVries, Garrity, Smith, Thibault and Forest

Absent: Alderman Porter

Mayor Baines stated there will be no NCAA regional update this evening, I think we're in the process of trying to reschedule that.

4. Presentation of draft FY2003 Comprehensive Annual Financial Report (CAFR) and draft Management Letter prepared by McGladrey along with departmental response.
Note: Related communication from Alderman Osborne requesting the contract compliance issue noted in the management letter be referred to the Committee on Administration.

Mr. Clougherty stated the Mayor asked me to give a quick overview of what we're doing here presenting the audit tonight so that everyone has a point of reference. The City of Manchester is a million dollar business and we prepare our own financial statements unlike cities and towns or districts where the auditors may come in and help in the preparation of the financial statements. The City of Manchester prepares its own financial statements in the Finance Department. Randy Sherman who is sitting on the right here is the primary responsible person in the department for the preparation of the report and Guy Beloin who is also a CPA in the office is responsible for the quarterly reports as well. Once the report is done we hand the reports off to an independent financial accounting firm, in this case McGladrey & Pullen out of Connecticut in the form of Scott Bassett who comes in and reviews the report to make sure that when the Finance Department prepared it it was prepared in conformance with generally accepted accounting principles and all of the different rules and regulations that govern accounting and the preparation of financial statements. It is Scott's responsibility to make sure that he reports to you independently and to investors and to taxpayers that if the reports have not been prepared in conformance with prevailing rules and regulations that it's his responsibility to tell you where we haven't complied and why we haven't complied. The report is consisting of three parts...the first part is the management discussion analysis which we try to use as our annual report...talk about what's happening in the City financially during the time period...this would be through the period of June, 2003. There are financial statements which are reviewed and

audited by the auditors. This year's financial statements, as always, have an opinion from the CPA firm, there's a qualification. The only qualification we have relates to a single transaction relating to Verizon Wireless Arena which is the same one we had last year which was explained as part of last year's report. The third part of the report is a statistical section that's unaudited...multi-year information on the City and statistics like school enrollment and population and things of that nature. In addition to their reviewing the Comprehensive Annual Financial Report (CAFR) they give any recommendations to the Board of Mayor and Aldermen or they note any area of non-compliance in the Management Letter and in the Management Letter they will say if there's an area where we haven't complied that rises to a serious level that we have not conformed. There are no such issues in this year's Management Letter as there weren't last year, so our Management Letter is relatively clean. They have included in the Management Letter this year three recommendations with respect to how things might improve but they're not essential, they're helpful advice. They're not something that's prompted because of any type of internal control problem and that's regarding contract management, revenue tracking and segregation duties in small departments. I sent a letter responding to the Management Letter recommending that those items be referred to the appropriate committees for consideration. So, in closing, what I'd like to say as the Finance Officer is I really appreciate what the City staff, my staff has done on the fiscal year, they've done a good job. Again, our numbers show that the City is in good financial condition and it also shows that our internal control systems are working. So, I appreciate all of the work in the departments and I'll hand it off to Scott to give his report.

Mr. Bassett stated I'm a partner with audit firm or McGladrey & Pullen and as Kevin mentioned we were engaged to audit the financial statements of the City of Manchester for the fiscal year ended June 30, 2003. We conducted our audit in accordance with generally accepted auditing standards as accepted in the United States of America. In addition to that we also audit on other government standards that are issued by the OPM. Our audit is planned...we obtain reasonable assurance about whether the financial statements are free of material misstatement either caused by error, fraudulent financial reporting or misappropriation of assets. What an audit includes is examined on a test basis evidence reporting the amounts in disclosures in the financial statements that are prepared by the City. As in all audits includes accepted accounting principles used and estimates made by management as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable rather than absolute assurance about the financial statement. We believe that our audit provided that reasonable assurance based on our opinion. Kevin did mention we conducted our audit in accordance with generally accepted accounting principles and generally accepted auditing standards. We did have one modification to a clean opinion which has to do with the single transactions as far as the Manchester Civic Center. We reported it as a non-exchange transaction within the government activity statement. With that said, I guess an overview and as I prepare for these reports...really the basis for my preparation that when I present to a council is really the management discussion analysis (MD&A) and that's in the back on page 35 through 48.

This basically summarizes in a narrative format the financial highlights of the City during the year and as I prepare my notes basically the things I touched on should be highlighted also in this MD&A. At the end of the fiscal year on a government-wide basis the City's assets exceeded its liabilities by \$383 million, \$71.7 million of those total assets were for governmental type activities where \$311 million were for business type activities. The business type activities are your enterprise funds, your aviation, your Water Department and EPD and two minor other ones. This is an increase of \$37.4 million, \$8.2 of it which is accounted in the governmental activities and \$29.3 which is accounted for in the business type activities. Unreserved and undesignated fund balance was \$1.3 million for the year for the government fund and long-term liabilities decreased during the current by \$21 million. As you read pages 35, 37, 38 & 39 it again shows you in a snapshot of really the financial activity for the City during the current year. On page 39 of this report for the primary government only you can see that net assets, total assets were \$969 million compared to \$944 in the prior year. Total liabilities were \$586 million compared to \$598 in the prior year and our net assets increased from \$345 million to \$383 million during the fiscal year. From the revenue standpoint on page 40 it takes you through a full basis of accounting, the activity in a comparative data for June 30, 2002. For June 30, 2003 we had an increase of \$37 million on this basis of accounting again from \$3.5 to \$383 million. As I talk about these large numbers... \$383 million and \$311 million...this is a basis of accounting that I like to remind you includes for the second time for the City all the capital assets including the infrastructure are being accounted for. Prior to the year ending June 30, 2002 GAAP did not require that...this is our second year in the new reporting model. In the governmental fund-by-fund basis of accounting which is typical from year-to-year as you compare this to prior years and if you turn to pages 54 and 55 we'll talk about the General Fund and some of the other governmental funds and the activity for the year. The General Fund on a non-budgetary basis increased its fund balance by a million dollars in the current year, Capital Project funds decreased by \$11.7 but basically all that means is that we spent bond proceeds for capital outlay for bond proceeds that probably came in last May, 2002...were expended during the fiscal year ending June 30, 2003. A total fund balance for the General Fund was \$22 million, the unreserved fund balance for the General Fund was \$1.3 million and then we had certain portions of our fund balance designated for revenue stabilization and tax rate stabilization and things of that nature. On page 57 this presents the General Fund budget as originally presented, adopted...the revised budget and the actual results compared against that revised budget. Revenues were projected to come in at \$103 million...they were short...a negative balance of \$4 million. On the expenditure side we had budgeted \$103 million to spend and we spent \$98.9 million, so there's a positive there of \$4.1 million. Coming down to the end I guess this really showed the picture of how you acted due to revenue shortfalls and what it could have meant. You had projected that you would use \$1.1 million worth of revenues that was adopted. What you ended up using of fund balance was \$1.5 million, now how that happened...I think if you take a look at the expenditure side which you could control through decreases in revenues that were unanticipated such as interest rate declines you were able to maintain that fund balance and work within an

operating cycle that didn't cause a large impact on the fund balance that you tried to hard to maintain, so again I think that's a positive result...it has to go with reacting to conditions as if you were in a business to make sure that you have revenues to support the expenditures. On pages 58 and 59 this presents our business-type activities: the three major activities...the Water Works fund increased by \$2.7 million, EPD increased by \$235,000, and the Aviation Department increased by \$26 million. A large part of that increase for Aviation was some capital contributions that come in in the form of grants and non-operating revenues. The notes to the financial statements are consistent with last year, we had no significant increases in debt, actually a decrease. We did have some activity in the fall of 2003 and as Kevin did mention we did have three management comments. What we try to do, what we're governed to do under the professional standards...there's three types of level of comments that we could give...we could give material weaknesses, we could report as reportable conditions and give management comments...observations that we see that we bring to your attention and this year we're repeating the comments that we've had in the prior year, I think we had five last year...we're repeating three of those and again they're observations, they're for management to consider, that they don't act on them it would not lead to a reportable condition, but we as auditors should bring those to your attention. In the three that we talked about this year have to do with contract compliance officer, not only from a contract side if you're leasing or renting but also from a revenue standpoint...entering some type of contract(s) that there's no central location for those to be monitored. We talk about departmental receipts, in-house collections in various locations through the City...we'd like to get that through the main system and then in the smaller departments we talk about a lack of segregation of duties in some of the purchasing functions, again, maybe centralizing those...not centralizing but have some set controls of what should be followed in these smaller departments so that we strengthen the internal control. That was my synopsis of the activity, I guess as you go through this report and there's 135 pages you can take a look at and say what does it all mean, I direct you to the MD&A and I guess what wasn't said and I guess this is the best reflection...when we went back into the Bond Market in the fall of 2003, I believe you were upgraded from what the rating agencies rated you which really equates to savings of money and they take you through all types of benchmarks and ratios and analysis to notch you up to certain levels. So, we look at all of your hard work and I think that's something that's a result of that and hard fiscal management within the City that's going to save you money in the future based on reports of the last few years. So, I'd be happy to answer any questions you may have. Thank you.

Alderman Lopez asked would you go to Fund Deficit on page 98...I noticed in your previous report that you were concerned when I asked you the same question and in this report you only lowered the deficit by \$19,000 on the Aggregation...when are you going to get really, really concerned.

Mr. Bassett replied we have talked about that. When we go through our review process (in-house) there's a second partner that takes a look at that...as I step back and take a look at it

you've reserved a fund balance for it so its resources that are not available to be used because there's a reservation for that loan from the General Fund to the Aggregation department. I guess it comes down from the management standpoint of who is going to support that deficit and how is it going to be repaid from an auditor's standpoint we've taken a very conservative approach to that that by reserving the whole fund balance and letting the readers know that it's not available to be used.

Alderman Lopez stated maybe Randy or somebody can answer...in one year's time we're looking at a deficit. Can you explain and elaborate that the CDBG...the \$8.369 million versus last was only a \$30,000 CDBG deficit.

Mr. Sherman stated the CDBG fund typically runs deficits mainly because of the fact that it's on a reimbursement basis. For that one we're always paying expenses and then getting reimbursed. You're always going to be running behind on that one and depending on what the expenses are you can be almost at any point in that process at year-end. We cut checks once-a-month and then by the time we get the reimbursements whether those funds are in or not...in the Capital Project Fund where you see the \$8.3 million deficit that's because we had authorized but unissued debt. Once you go into that when you come around to this June year-end...now that we've issued all outstanding bonds you'll see that that \$8 million will go away and you'll have a positive fund balance.

Alderman Shea stated I have two or three questions, I'm not sure whether Kevin could answer this...we've discussed the City's Master Plan and my question is how important is the City's Master Plan in relation to our City's financial report. How important is that?

Mr. Clougherty replied in terms of what Scott does, he's coming in and looking at the transactions that occur, the financial transactions and bouncing those off against the standards for auditing and what have you. It's more of an important measure for the credit rating agencies. Scott's coming in and his role is to look at the rules and make sure we follow the rules. The rating agencies are taking a look at how you manage, are you looking forward, are you doing the right things...although you can have the best control systems in terms of your transactions but if you're not anticipating things down the road you could also get into financial problems and that's how the credit agencies look at it, so their feeling is that the Master Plan is very important and if the Master Plan were to somehow not be accomplished on time that would be a consideration by the rating agencies and when they look to do your rating they'd have that as one of the valuations.

Alderman Shea stated we have not updated it since 1993 and we keep wondering when it's going to be updated and there is some literature that we received that says it will be updated in 2005, but we're making decisions predicated on the fact that we have the information at hand now when we really don't have the information in terms of what financial impacts our decision in '04 are going to be reflected in '06 or '08 or '10. So, what you're saying is it's

probably vitally important that we do have the Master Plan updated, am I correct in that assumption?

Mr. Clougherty replied planning is an important consideration for the rating agencies.

Alderman Shea stated so you're saying yes. Thank you. The next, Kevin, is we do talk about our Tax Rate Stabilization account and without going into specific types of situations we did institute this account...could you explain a little bit as to how we might be able to use this and when should we use this.

Mr. Clougherty replied there are really two stabilization accounts...there's the Revenue Stabilization account which otherwise is referred to as the "Rainy Day" Fund and we see that as primarily our hedge against a downturn in the tax base. If, for example, over the last few years we've had great tax collections. We've been up around 98% collections. If during a particular year, say next year because of a recessionary period or whatever our tax collections drop from 98% just to 92% your Rainy Day Fund is gone. So, although \$9 million sounds like a lot of money in relative terms it wouldn't take long to wipe that out and those of you that were here in the 90's and the earlier recession you'll see that we've had those swings and we've gone down to 87% collections at one point. So, the Rainy Day Fund...usually something at the end of the year and use primarily to protect against that swing in that tax base area. The Tax Stabilization Fund has \$1.9 million in it and the intent of that was to try and stabilize things going from year-to-year, so for example, as I mentioned in the earlier presentation about the School District if for some reason...we had adopted our budget, we anticipate prudently that revenues coming in from the School District are going to stay flat and there's some action at the State that reduces that that would be an application where as I said in my presentation the Tax Stabilization Fund would come in to help fill part of that deficit. So, that would be an example of how you might use that fund.

Alderman Shea asked what percentage should we maintain in the Rainy Day Fund, should we maintain a percentage of 10%, 8%, 12%?

Mr. Clougherty replied the higher the percentage the better your rating from a credit rating perspective. There's no definitive law or guideline either in GAAP, auditing standards or what have you that says you should have "X" dollars. What they have been talking about, I think, is somewhere in the area of...originally, they wanted to see cities and towns at somewhere between five and seven percent and that's gradually inching up to seven to ten percent. I'll tell you as a result of what's been going on across the country most of the cities and towns and most of your states are having no rainy day funds, so the fact that we have been able to protect our fund by making management decisions during the year to cut spending so that we don't run into fund balance problems, we've distinguished ourselves and that's a reason why your credit rating is going up and your borrowing costs are going down. But, I'll let you talk...

Mr. Bassett stated over the years percentages that you heard were five to ten percent of your general fund expenditures. What's happening and I've heard a couple of financial advisors say this...that that's really being edged upward between seven and twelve percent as far as those general fund expenditures. So, if you take a look at your percentage on the \$1.3 and the \$9.6 you're right at the ten percent, so in my opinion, just based on what I've heard in the market place and what's happening what's being recommended I would think that ten percent is adequate, I don't think it's excessive. I think you're probably right where you want to be from a financial standpoint as far as benchmarks that are used by outside agencies virtually to lower interest rates and things.

Alderman Shea asked how, Kevin, do we build up more in our Rainy Day Fund. How do you go about so that people can understand how you get the money in the Rainy Day Fund or Stabilization Fund?

Mr. Clougherty replied it's a year-end calculation and what we do is we try to manage the budget during the year. Once there's an appropriation to departments and revenues have been set we try to manage through the year so that we always end up with a fund balance and don't end up with a deficit situation where we've spent more than we've taken in. So, that is why the Committee on Accounts reports and the quarterly reports and the monthly reports are so important because we're able to come in and tell you that your revenues are off and I would say that in 80% of the years that I've been Finance Officer we've had to come in and take some action, some year's it's been more drastic than others but we've had to make corrections along the path because of welfare, because of assessments, because of all of these different issues and as a result of that at the end of the year we're able to show that our revenues have come in better than expected or expenditures have been cut to create a fund balance to have that rolled down to the Rainy Day Fund.

Mayor Baines interjected I think another important factor as I mentioned during the Committee on Accounts is that management of the budget by the department heads...they're very, very prudent in terms of managing their budgets to deliver a fund balance. So, a lot of credit goes to the management as well.

Alderman Shea stated as financial officers what are the main problems facing elected officials, that is us, in the operation of city government and what safeguards should we as City officials make certain are in place? You are the financial people, we are the elected officials...but, what safeguards should we...this is for the benefit of the general public so that they know that whatever decisions we make here are sort of in their best interest.

Mr. Clougherty replied in my opinion it's full disclosure and transparency of transactions and what I mean by that is you adopt a budget. When your budget is adopted we put that budget on our web site, so anyone in the City can go to the Finance Department web site

look up the budget for this year and the budget for prior years and you can look at the financial reports for these years and then you can take the monthly report as it comes in in January and that tells you how all of the transactions that have gone on and you can take the monthly report that is on the internet the next month and then you can take the quarterly report. So, you can track what's going on in terms of these transactions. We have monthly reports to the Committee on Accounts which we review as the audit committee. A lot of cities and towns don't have audit committees and don't have that rigorous reporting structure, they do quarterly reports or they may do budget reports...we give you full financial reports that tells you all of the transactions, all the write-offs and all the detail. So, with the HTE system we're able to do that. So, I think that interim reporting and that transparency is what's important so that every citizen can see what's going on. So, when we get to this point at the end of the year there should be no surprises. We've already talked through all of these items, you know pretty much where we're going to be and you rely on that and I think the auditors coming in here every year over time we've built up credibility that we do hit the targets and the reports are reliable.

Mayor Baines interjected I think that's one of the things about our government the fact that the finance officer and the mayor sometimes we meet three or four times a day, so there's very close contact with what's going on and all that information is out there, Scott.

Mr. Bassett stated I would just mentioned that from an audit committee standpoint there's a lot of talk about aggressive accounting principles being applied and things and any new accounting principles the City may adopt and the quality of the accounting principles are something that is being discussed about in the profession. Really within the government the accounting does not get very complex although I could say that three years ago it's starting to change a little bit with some of the revenue streams and the financing that's taking place but for the most part you're conservative on what your revenue so from that standpoint you always want to talk about are there any principles out there that could change or have you taken an aggressive approach in the application of a principle. But, the second thing that I believe and it really is in this report is negative trends. I know that your revenues come in and your expenditures go out but what impacts that obviously, grants, state legislation, the economy as a whole...taking a look at those trends and being aware and being reactive to any negative trends that you may see and those are more important as you go on and look to the future.

Alderman Gatsas asked is this the third or fourth year.

Mr. Bassett replied I believe this is our fourth year.

Alderman Gatsas stated in all four years in your Management Letter you said that the City was in dire need of a contract manager...you made that as a statement.

Mr. Bassett replied I made the observation that it could improve the internal controls in the City, yes.

Alderman Gatsas stated I've gone through this audit report three or four times, I've been unable to find the contingent liability of a contract that we have on Canal Street for a parking garage. Were you aware that that contract is a continued liability to the City.

Mr. Bassett replied what we do as far as a contingent liability we do get representation, the City makes an estimate, we audit that estimate based on representations received from all outside attorneys and in-house counsel to go through that. I believe we have an accrual for contingent liability of approximately \$4 million this year where if it's within our scope it would be included there. I really can't answer that question right now because it's in the accrual formula now, but we do have a contingent liability accrued. I can't answer that, I don't know.

Alderman Gatsas stated the contingent liabilities that you're talking about are on an accrual basis are for Worker's Comp, Health Insurance, General Liability...I don't believe that the parking garage contract...that has been a material asset to the City...have you ever been privy to that contract where we're paying some 120% over market in that contract for 500 spaces.

Mr. Bassett stated I'm not sure what the audit aspect of that would be.

Alderman Gatsas stated it's a material contract to the City.

Mr. Bassett stated it's a contract to the City both the financial impact as far as the presentation to the City, is it a loss because we're paying over fair value.

Alderman Gatsas replied absolutely.

Mr. Bassett stated then in that case that would not be recorded within these financial statements.

Alderman Gatsas stated you wouldn't show that as a liability.

Mr. Bassett stated if you're paying an operating lease...whatever that operating lease is signed for you wouldn't show that, it would be classified as an operating lease and that wouldn't be accrued.

Alderman Gatsas stated let me just understand that if you had given us a total financial audit of the conditions of the City your ability to view all contracts that are material to the City and if that's a major revenue, let's say it's one percent of the City's revenue, you should be

aware of one percent of the City's expenditure. Now, somebody should be saying to you here's a material part of this audit because you've signed off on it; that you viewed those documents and obviously you haven't seen it.

Mr. Bassett stated I guess I'm not following...if they're paying over fair market value whatever the contract is as long as we're paying that contract I'm not sure how that falls under a GAAP or GAAP audit.

Alderman Gatsas stated I don't see it as a liability lining your audit.

Mayor Baines stated Mr. Clougherty would like to say something, I don't think we're going to settle this.

Mr. Clougherty stated we presented the audit to the Committee on Accounts and we've gone through and certainly, Alderman, if you'd given us the name we could have come in and told you and answered your questions. I think the point that's trying to be made here is contract administration...is there the likelihood that there are some contracts out there that somehow are not being considered by the auditors and by the Finance Department and I think what we've found over the years and what we've said in my response to the Management Letter is I agree that there should be a contract administrator. We don't have problems on the expense side, the expense side because we don't pay the bill unless we see the contracts, so the contracts on the expenditure side is probably okay. It's on the revenue side which I think is the point that I think Alderman Gatsas is making that you can have some issues and you can have issues not only with the original contract if say one of the departments entered into a contract to receive revenues from a particular private entity. It may not be a problem with the initial contract but any amendments thereafter would be problems. So, what the auditor is looking for is a central repository of all of the contracts so that there's one base where everybody can go and find them and we agree with that.

Mayor Baines interjected ultimately that's a policy decision of the Board of Mayor and Aldermen and it's been presented every year and if the Board establishes that that is a policy that is something that you will have to look at addressing with personnel.

Mr. Clougherty stated we'll go back on that particular transaction and trace it through, we have millions, billions of transactions so to take one is...

Alderman Gatsas stated I don't think I was going there, your Honor, I think that where I was going was it's a material part of an audit. If he's not been presented that contract so that you could see it whether we have a contract officer in place is immaterial. He's signing off on an audited statement and that is a material part of this audit, just like the parking garage contract that we had with the Center of New Hampshire.

Mr. Bassett stated I'm signing off in my opinion that the financial statements as presented are materially correct and I'm giving your reasonable assurance that they are materially correct.

Alderman Gatsas stated that's been presented, that's your caveat that...

Mr. Bassett stated no, no...these financial statements as presented and from what I know within the City that they are materially correct.

Mr. Clougherty stated the implication here is that he didn't see that contract. Scott oversees the audit, he's got several people to do work for him, they come in and certainly any contract that they want we provide, Alderman. So, to imply that somehow somebody wasn't provided a contract or that somehow there's not a major item in here I think is disingenuous, that's not true. We will go back and look at that, Alderman, and respond to that but I'd like to leave the Board with the confidence that we feel that we have done a good job in terms of trying to round up all of these contracts and make them available to Scott and his people. However, we can't guarantee that that is going to continue because we've seen lapses and problems in the past and we don't want that to reoccur.

Mr. Sherman stated what I would just is that \$300,000 in a quarter of a million dollars in expenditures is hardly material; that is very immaterial in the overall picture. But the \$300,000 that you're talking about is within the Traffic's budget, it's one line item within the Traffic's budget...every month they make that expenditure and they go through and do their testing whether they select that one or don't select that one on a monthly basis it's a very small amount...\$75,000 a month, \$100,000 a month doesn't get selected when you've got the Airport issuing \$3 million checks for construction projects. They have gone through and they've audited all of those expenses and they will pick those up on an annual basis, they then go to the City Solicitor's Office and say is anything out there that we don't know about that you've got a liability whether it's an outstanding case or anything else that we should know that we should report. So, they get that assurance not only from the Finance Department but they get it also from the Solicitor's Office. I understand your issue about Wall Street Towers and the amount of money that the City pays but in the overall picture of things that really is a very small item, it's budgeted for, it's nothing that came up and the City had to address, they knew about it and again I don't think that there's anything that they've asked for that they didn't receive and we do issue our letter of representation that they have seen everything that's immaterial.

Alderman Gatsas stated then maybe Scott your company can give us an itemized overview of that contract and when you saw it and if you made a material statement to it.

Mr. Bassett stated if we reduced the scope particular to that contract obviously I could do that without a problem.

Alderman DeVries stated in reference to page 41 the graphs on primary government on the expense side and I'm wondering if those expenses like you've broken them out to the different uses: public, safety, federal government, welfare, etc. is that standard from community-to-community so if we wish...is that part of the government...

Mr. Bassett replied yes that's what GASBY hoped to accomplish by breaking these down to these categories or functions...those are the minimal functions that you can have, you can increase those but in the public safety, public works, education would be if you went to the city upstate or down you ought to be able to compare it to those. So, those are common categories that you'd see in many of the communities.

Alderman DeVries asked would this information be posted on web sites for other communities as well...that might be something that Kevin would know...

Mr. Bassett stated I think you can do a search from community-to-community but you're finding more and more putting their financial information on their web sites.

Mr. Clougherty stated the important thing to remember on that is that GASBY 134, the replier breakdown is a relatively new requirement so you may not be able to go back more than one or two years and there are different thresholds depending on the size of the town or the size of the city as 134 became effective. But, we could go back the last couple of years...

Alderman DeVries stated I think it would be really interesting particularly when we look at Highway because I think there's been a lot of concern that our funding of Highway is falling behind and putting us into the same scenario that we fell into with the schools with catch up to catch up with the infrastructure improvements, so I would be interested in comparing that to other like size in-state and others.

Mr. Clougherty stated that is one thing that the rating agencies also look at, that's the reason why they've pushed for GASBY to have these requirements.

Mayor Baines asked are there any other questions from the Aldermen. Thank you very much, appreciate the presentation.

CONSENT AGENDA

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Pole Petition – Subject to the Review and Approval of the Department of Highways

- A. PSNH Pole Petition #11-989 located on Wellington Road.

Informational – to be Received and Filed

- B. Minutes of the MTA Commission meeting held on November 25, 2003 and the Financial and Ridership Reports for the months of November and December 2003.
- C. Communication from the Greater Manchester Chamber of Commerce submitting the 2003 year-end statistic report on the Manchester Welcome Center.
- D. Copy of a communication from the NH Department of Environmental Services advising of the issuance of amended State permits to operate FP-S-0194 and FP-S-0195 Fuel Burning Devices.
- E. Copy of a communication from the NH Department of Environmental Services advising of the release of the new edition of *Best Management Practice to Control Nonpoint Source Pollution: A Guide for Citizens and Town Officials*.
- F. Copy of a communication from the NH Department of Transportation advising of contemplated awards.
- G. Copy of a communication from the NH Department of Transportation to PSNH advising of the Federal Highway Administration's approval of the executed Supplemental Agreement covering the installation of highway lighting cabling on the Pavement Rehab of I-93/I-293 Ramps & Rehab of Bridge Decks Over Mammoth Road project.
- H. Communication from Comcast submitting the 2003 fourth quarter franchise fee payment.

Informational – referred to the Police Department for response

- I. Communication from Daniel Steinbach requesting protesters be kept at a "safe" distance on February 29, 2004 prior to and during the "Rite of Election" ceremony scheduled to take place at St. Joseph Cathedral.

REFERRALS TO COMMITTEES

COMMITTEE ON FINANCE

- J. Resolutions:

"Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Twenty Five Thousand Nine Hundred Twenty Dollars (\$225,920) for FY2002 CIP 712402 WIN-1 Relocation Design Project.

"Amending the FY1999, 2000, and 2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Sixty Eight Thousand Two Hundred Twenty Eight Dollars and Fifty Eight Cents (\$68,228.58) for FY2003 CIP 713103 Sewer Infrastructure Project."

“Amending the FY2000 and 2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Six Thousand Eight Hundred Six Dollars and Eighty Seven Cents (\$26,806.87) for FY2003 CIP 712003 FBI Recuperator Project.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Ten Thousand One Hundred Sixty Dollars (\$10,160.00) for FY2004 CIP 411904 Project Safe Neighborhoods.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Two Hundred Forty Eight Dollars and Eighty Cents (\$2,248.80) for FY2004 CIP 412004 Speed Enforcement Program.”

“Authorizing the Finance Officer to effect a transfer of Two Thousand Dollars (\$2,000.00) from Contingency to Civic Contributions.”

“Authorizing the Finance Officer to effect a transfer of Four Thousand Seven Hundred Fifty Dollars (\$4,750.00) from Contingency to Civic Contributions.”

REPORTS OF COMMITTEES

COMMITTEE ON COMMUNITY IMPROVEMENT

- K.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$225,920 (State DOT) for FY2002 CIP 712402 WIN-2 Relocation Design Project, and for such purpose a resolution and budget authorization has been submitted.
- L.** Recommending that the Board authorize transfer and expenditure of funds in the amount of \$26,806.87 (EPD) for FY2003 CIP 712003 FBI Recuperator Project, and for such purpose a resolution and budget authorizations have been submitted.
- M.** Recommending that the Board authorize transfer and expenditure of funds in the amount of \$68,228.58 (EPD) for FY2003 CIP 713103 Sewer Infrastructure Project, and for such purpose a resolution and budget authorizations have been submitted.
- N.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$10,160.00 (State) for FY2004 CIP 411904 Project Safe Neighborhoods, and for such purpose a resolution and budget authorization has been submitted. The Committee notes that it has requested information regarding this project be forwarded to all members of the Board prior to February 17th.
- O.** Recommending that the Board authorize acceptance and expenditure of funds in the amount of \$2,248.00 (State) for FY2004 CIP 412004 Speed Enforcement Program, and for such purpose a resolution and budget authorization has been submitted.
- P.** Advising that it has approved a request from Bruce Thomas of the Highway Department to complete various projects enclosed herein as part of the City’s Chronic Drain Program.
- Q.** Advising that it has approved a request from Deputy Police Chief Simmons to retain the former prisoner transport vehicle as an emergency response vehicle for the department’s Civil Resolution Team.

COMMITTEE ON TRAFFIC/PUBLIC SAFETY

- R.** Recommending that a request for no parking on Elm Street (both sides) from Bridge to Valley Streets on Sunday, March 21, 2004; and painting of shamrocks at the intersections of Elm and Pleasant Streets and Elm and Hanover Streets for the St. Patrick's Day Parade be granted and approved under the direct supervision of the Police and Traffic Departments.
- T.** Recommending that regulations governing standing, stopping, parking and operation of vehicles be adopted and put into effect when duly advertised and posted.
- U.** Advising that it has reviewed an Ordinance:
 "Amending the Code of Ordinances of the City of Manchester by creating §75.00 Motorized Scooters established to govern the use of motorized scooters in the City of Manchester."
and recommends that same be referred to the Committee on Bills on Second Reading for technical review.
- V.** Advising that it has reviewed an Ordinance:
 "Amending certain provisions of the Motor Vehicles and Traffic Ordinances to provide for increased penalties for parking in a Handicapped Parking Space and to provide penalties for parking in a Handicapped Parking Space Access Aisle."
and recommends that same be referred to the Committee on Bills on Second Reading for technical review.
- W.** Advising that they have approved directional signs for Gill Stadium as submitted by the Traffic Department.
- X.** Advising that they have approved implementation of the downtown area Traffic Signal Optimization and Synchronization Study submitted by the Traffic Department.
- Y.** Advising that they have approved a request to allow the City Hall Information Booth volunteers the use of a parking permit placard to be placed on their dashboard(s) while on duty at City Hall due to the recent sale of the Canal Street garage.

HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN O'NEIL, DULY SECONDED BY ALDERMAN SMITH, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.

Report of the Committee on Traffic/Public Safety:

- S.** Recommending that all metered parking be changed from Monday-Friday, 8AM-8PM to Monday-Friday, 8AM-6PM.

Alderman O'Neil stated I was one of the members of the Traffic Committee that voted to send this to the full Board with full expectations that we were going to get some answers to some questions, which we have not. The Police Department has provided their information, but there are three questions and unless I missed something that came with the courier we were supposed to find out what is the actual revenue from those meters; secondly, what's the

cost to make the change; and third, a recommendation for an implementation date and I haven't seen that information yet. So, I might suggest we put this on the table.

Mayor Baines stated let me hold off on that motion just for now.

Alderman O'Neil stated those were specific questions just a week ago.

Alderman Sysyn stated I got the survey from Stephanie Lewry of Intown Manchester, she sent out 70 surveys and got 13 back...10 were in favor of rolling back to six and three were keeping the meters till eight. In that survey a lot of them...there were a lot of them that wanted to go back to keeping meters back on Saturdays because their businesses have suffered with people parking there all day and not allowing business to come into their stores.

Alderman Smith stated I disagree with my colleague and I'll give you a couple of examples why...at the Traffic Committee meeting of February 10th I opposed changing the parking meters from 8:00 to 6:00 PM Monday through Friday. This opposition was based on several factors which I hope you will consider and listen to and hope not make the changes requested. This change will benefit very few and it will not affect anybody that's coming into to Manchester because those parking spaces are already going to be occupied. Meters were put in place to help businesses with their customer flow so there would be a turnover in parking places during business hours and this way if you start at six o'clock the person will park there at four o'clock, go downtown and he's occupying that space for four or five hours and no one has a chance to park. I personally agree with Chief Jaskolka's summation and as far as the finances for the Traffic Department it's very hard you would have to go and open up all of those 2,500 meters, take out the change and process them from six o'clock to eight o'clock to find out what amount and then you have to actually surmise for 52 weeks. Private parking is substantially more than our meters. I just think that the meters are free they'll be used for persons, employees and so forth and not for individuals using the restaurants. I would also like to say that if Riverfront development goes in 2005 there's a potential on this year's baseball schedule of 49 games be played Monday through Friday and everybody knows the baseball games will start at six, six-thirty...batting practice earlier, so you'll tie up in the business area parking and the loss from this change will drastically reduce our potential assets for future development in the area and I will tell you right now that my estimates are between \$200,000 and \$300,000 annually.

Mayor Baines stated procedurally for us to proceed there should be a motion to put this on the floor for discussion, am I correct on this.

Alderman Guinta moved for discussion. Alderman Osborne duly seconded the motion. There being none opposed, the motion carried.

Alderman Lopez stated I agree with Alderman Smith and the Chief of Police and his letter. In 2001 when we went to ten o'clock at night we also were calculating numbers there in terms of the civic center. We gave away Saturdays and the next revenue that we received after cost was \$256,000 and we just gave that away when we did away with Saturdays, so we're back at an even point. If we go beyond this that means the taxpayers are going to have to pay \$250,000-\$300,000...I'm not in favor of this, this is no time to be changing especially in a budget situation that we are now. So, I would hope that when a vote comes we vote no on the recommendation.

Alderman Gatsas stated I did a little survey of my own over the last week-and-a-half. If you travel downtown on any given evening Monday through Sunday without a civic center event you can find accommodating parking for almost anywhere on Elm Street. If there is a civic center event in place and operating from six-thirty on you can't find a space from the civic center up to about the mid of Mechanic Street. So, for businesses downtown that believe back these meters to six o'clock is going to enhance their business, I think they're in for a rude awakening because the restaurants probably fill up at five-thirty for a seven o'clock civic center event, they're going to stay there after six-thirty and their going to walk to the civic center. I would suggest that we do something other than a survey with businesses downtown because I think they're going to say yes we want parking freed up at six o'clock but I think they're going to find that when it comes home to roost that the ability of people to park in front of those stores is not going to happen, it's not happening now. You can't get a parking space downtown when there's a civic center event. So, if we think that's going to free up that's fine we gave away the situation on Saturdays...find an open space on Saturdays...there aren't any. So, I don't know how this is creating more traffic downtown, it's very easy for people to say it's going to create it, I don't believe it's creating it and maybe we have to institute and I'm sure that the restaurants downtown have their patrons complaining...I just was in, I parked and put in two hours worth of meters and stayed two hours and fifteen minutes and I got a ticket because I had dinner in your place. Well, maybe we institute some courtesy of ten tickets per establishment downtown that if somebody goes into their establishment and gets a ticket and they're legitimately in there for two hours and fifteen minutes feeding the meter maybe we can give them a gratis of a parking ticket. But, I think it's important that if we think...we've changed...the civic center's been in place two years and we've changed this parking fiasco three times in two years. I don't know what's going to enhance it or change it, but I think we should live with this because as Alderman Smith said there's another 49 events and if there's a civic center event and a baseball game at the same time, I don't know where anybody's going to park.

Mayor Baines stated just a couple of observations and I'll call upon Alderman Forest next and Alderman Guinta...in my letter I sent to the Traffic Committee I made it very clear that I could not support this change unless some things had been done. First of all, a thorough analysis which goes into Alderman O'Neil's assessment and that we base it upon some very thorough analysis of the entire situation. Secondly, I think we're at the point in the City of

Manchester that we probably need to look at bringing in some traffic engineers or consultants, if you will, to look at the entire parking situation because Alderman Gatsas is correct. To keep moving things based upon the spirit moves us and I'll give you an example. I come down Saturdays often because I come down to City Hall or I've had occasions where I've tried to go to George's to look at some clothes and there's absolutely no place to park on Saturday in Downtown Manchester and Mrs. Hamel talked about that earlier that when we made that move we cautioned people about it...first of all, it was a quarter of a million dollars that was taken away...you don't have it for revenue, but the fact is it does generate revenue, but since that has happened Mrs. Hamel could tell stories about how she's tried to protect some parking spots during Christmas time and she told me earlier she was in tears at Christmas time because her customers could not get to her shop on a Saturday because when you come down and do this...come down at nine, ten o'clock in the morning on Saturday and try to find a parking spot. Now, as the Mayor, I'm very lucky I've got a spot here, but people coming down to shop there's absolutely no place, so as I've often said we're going to run city government as a business and we're not a business, I understand that, but we need to do a very thorough analysis of this situation to make the right decision and we don't keep changing as often as we're going without that analysis which is critical to this process.

Alderman Forest stated I sort of disagree with your comment about Saturday. I come down every Saturday and I've always found a place to park. I have talked to several, hundred of business people downtown about this but just to move on Alderman O'Neil's thing I was at the Traffic Committee because I'm a member and that was one of the recommendations, I believe, we voted on. I was a little surprised to see it here tonight and not prepared to talk about it tonight. The majority of business people I talked to wanted this a year ago when we removed the Saturday and it worked. I noticed a few months ago...a little bit before I became Alderman the prior Board sort of gave people free passes to parking lots and to the meters in the Millyard and everything else. If you look around here you're right there are some abandoned cars at meters and there's resident parking. A few weeks ago at the Traffic Committee, at your recommendation, because of a petition we gave all the people in a certain area down here free parking, all day long, odd and even parking. So, I don't see anything wrong with rolling this back. I don't think it's going to affect us that much. I think it's going to bring other businesses downtown, but I do move to table it for now and then we'll bring it up later.

Mayor Baines stated I am not accepting a motion to table yet because I promised people there would be some discussion.

Alderman Guinta stated I am going to have to respectfully disagree with a number of my colleagues who have spoken tonight. My friend Alderman Gatsas said he did a quick study on this issue. Well, I've been studying it for two years. I live downtown, I'm the downtown Alderman. I don't only hear from downtown businesses but I also hear from downtown constituents, residential constituents and other residents of the City. This is a real problem

that needs to be addressed. We all know what parking meters are supposed to do. It's not supposed to be a factor in revenue, it's supposed to circulate and control consumers downtown. Now, there are certain examples that have been talked about tonight that will not necessarily benefit from this change, but the majority of downtown business owners will be positively affected by the change and I would take exception to a couple of things the Mayor said that we can't keep making these changes. Well, we're here as a body of government to react to what constituents ask for. It's our job to make changes. We're not here to stop government, we're here to make it more efficient for the greatest good. Not just for downtown, not just for business owners, but for residents and for people who visit this City. Everybody has talked about...Mayor, you've talked about the wonderful economic development that's occurred in this City. Everybody seems to get behind economic development when we talk about economic development. When it comes time to do something, to continue that economic development these concerns arise. I can appreciate Kathy Hamel's concerns, I've talked to her during Christmas time when she was trying to make sure that she could have people come into her store. It was difficult for her. There's no question...there's two other stores in that general vicinity who had the same concern. I hope that there is something that we can do to help those three businesses. In the meantime, we have an opportunity to help...if you look at the Intown Manchester survey 70% of the businesses. The other issue is that people keep looking at this as a revenue issue, I'm greatly concerned about that. With all of the spending that goes on in this City we're concerned about meter revenue. It's less than 2% on the tax rate and I think if you want to talk about revenue we should talk about the impact to the City from the Rooms & Meals money that we receive from the State. No one has done an analysis of how much more money we would benefit as a City from increased sales. There's no question we have more people downtown today than we did before the civic center or before the expansion at the Airport. We're a growing City, we need to accommodate those growing pains. The only way to foster good relationships with not only residents, not only business owners, but people who we're trying to attract to come downtown is to change when the community is asking us to change. I would submit today that the community is asking us to change. We're talking two hours which will create a much more friendly, hospitable environment downtown. It's not going to help every single business owner but it will help the majority of the business owners and if you can help 60 or 70 percent of business owners downtown and make residents happy by not having to receive a \$10 ticket for coming and spending their money downtown whether it's at a store or at an event or at a restaurant, I think we should consider doing that. Now, we can talk about doing a dramatic overhaul of parking downtown, we certainly need that. We've been talking about it for two years and it hasn't been done, I don't want to wait. I want to respond not only to my constituents but people that I receive phone calls from who live throughout the City and the constant letters to the Editor in *The Union Leader* that people read from people who come downtown and say I like spending my money at Modern Bride but I'm not coming back because of a \$10 ticket. It's not the answer to simply say let's do nothing. I think we need to seriously consider the message that we're getting from residents and the business community. And, let me reiterate we're here to do the people's

work. The people are asking us to make this change. I think we should welcome the ability to make these changes on behalf of our constituents. If we put this in committee and study it, it's dead, we all know that tonight or if it's vetoed, when it passes it's dead. I think we need to take action tonight, we're talking roughly \$.02 on the tax rate. I think that we need to accommodate our residents, our business owners and make this City what everybody talks about when they talk about economic development...a great City that to use your quote "is on the move". It's not going to be on the move if we turn people away. Thank you.

Mayor Baines stated to correct a couple of things. I said in my letter that I would support this change after that study and analysis was done if the conclusion was that it should be done. We have not done that. Secondly, I made a comment that I was in agreement with Alderman Gatsas on this constant changing but we need to do it with an analysis and a study of how to do it. So, Alderman Gatsas, follow-up because you were mentioned there.

Alderman Gatsas stated I certainly agree with my colleague from Ward 3 because he does live down here and he has to deal with it on an on-going daily basis. I don't have a problem that if this Board wanted to appropriate funds for a professional to come in and tell us what the right thing is to do here...I'm not opposed to that but I think that just...and I'm certainly one that certainly believes in constituent service, so yes we are here to accommodate constituents in the City. But, again, just to make the change because they think it's going to increase volume or parking facilities in front of their restaurant at six o'clock at night I don't believe it's happening. I look at some sections of Elm Street and you see three or four beauty salons within a one block radius going up, brand new ones. Now, I don't know about the rest of my colleagues and the two females on the Board but I know that my wife sometimes spends more than two hours at a beauty salon, so I don't know how...but, I think it's important and I don't have a problem if this Board so desires to assist my colleague from Ward 3 that we do a market analysis or a study to see what should be happening downtown.

Alderman Osborne stated according to the Intown report here that we brought up there were 70 polled and only 13 responded, that isn't a very good response...they don't seem particularly interested in the situation, most of them anyway. But, I think there's a motion on the floor to table and I'd like to have a roll call on it.

Mayor Baines stated there would be but if I haven't accepted a motion to table yet because I promised people they could discuss it.

Alderman Roy stated I have a couple of points I'd like to make. I agree with both Senator Gatsas and my Alderman from Ward 3 but I have a very hard problem making a decision this evening when we've been asking for accurate documentation of what impact this will have on the taxpayer and we receive one letter from the Chief and a letter 20 or 30 minutes ago from the Traffic Department. So, from my standpoint and listening to the public testimony tonight, listening to the business owners that live in my Ward 1 as well as the Alderman from Ward 3 I still have a very hard time making a decision because we do not have the actual

facts and numbers and I'd be in either support of tabling this or as Senator Gatsas said in appropriating the money for someone to do a good analysis so we'd know what we're giving up and know the impact that it's going to have.

Alderman Smith stated I'd like to get the two agencies that are involved here to give their testimony. I'd like to ask the Police Chief to come up and also the Traffic Department and like I said in regard to the Traffic Department this meeting was held February 10th and there's no way they can get any itemized expenditures or whatever you want to do Alderman.

Chief Jaskolka stated obviously parking is never a popular issue. Today when you go someplace, when you go to an event you expect to pay to park. You go down to Boston and you're going to pay big dollars to park. Parking meters in this City when you go to an event at the Verizon are the cheapest way to park. You may be paying for two hours from six to eight and then the rest is free as compared to what the private parking lots are...\$10 or \$15 depending on how close you are to the Verizon Arena itself. I think the biggest problem and it goes back years to when I was in charge of the Traffic Division is people are just unaware of when they are supposed to pay the meters. Publicity, better signage may be the answer to that question. When people call they're not upset that they have to pay a parking meter, they're upset that they didn't pay the parking meter and they got the \$10 fine. When you get down to it and the people are willing to talk to you the bottom line is they didn't pay the parking meter, they got a parking ticket. Had they put the \$.50 or \$1.00, \$1.50 or \$2.00 in they wouldn't have gotten the \$10 parking ticket. Some history...some of the members of the Board will recall several years ago around Christmas time we use to have "Gift Passes" if you will...where we put a card on the window saying you're meters expired, but it's Christmas time and we're not going to give you a parking ticket and as years went on we stopped giving out those particular gift passes and it was just free parking. What would happen in later October, early November the downtown merchants would start calling and asking when's the free parking going to start so we don't have to feed the meters. What they found was their employees, residents of downtown were parking at the parking meters in front of their businesses and they weren't able to get the customers in because the parking meters were free and either their employees or the residents downtown were parking in the parking spaces in front of their stores.

Mr. Jim Hoben, Deputy Traffic Director, stated we looked at this and we really couldn't get a handle on how much revenue loss would be. Some of the cars there, the resident parkers...the meters could be out, which day do you do it. We really don't have a handle on it. When we got rid of the Saturdays we emptied the meters out on Friday nights, came back Saturday night, counted it and had it back here in one day. It's virtually impossible to get a handle on two hours at night time. We also looked at it...like the Chief said we get complaints, there's no turnover at the small shops, they're parking all day and your back-and-forth, back-and-forth...we went from ten to eight we really didn't hear anything about it

and the impact was...I'm not really sure what the revenue loss was, but it was minimal. The Traffic Department would like to leave it the way it is because we feel it will hurt some of the businesses. As the Chief said the employees will park there, the residents will park there and it will create more problems than there are. We really don't know what the answer is for it. You have to strike a balance between the merchants, the residents and that's a fine line you're walking.

Alderman DeVries stated the question is for you, Mr. Hoben. What is involved in changing the length of time for the parking meters from two hours so that they can be fed for four hours.

Mr. Hoben replied we'd have to reprogram them.

Alderman DeVries asked is that about the same as the \$2,500 you quoted for the cost.

Mr. Hoben replied the \$2,500 is just to change the signage.

Alderman DeVries stated so it would be \$2,500 plus whatever the expenses are to reprogram, but it's feasible.

Mr. Hoben stated there's no reprogramming. This is putting a sticker on and changing the signs, the hours of operation.

Alderman DeVries stated originally I asked you if we wanted the meters to run for four hours at-a-time you told me we could reprogram them and that could happen.

Mr. Hoben stated yes, it would take some time to do them and we could reprogram them and also be a cost of resigning and new stickers.

Alderman DeVries stated it would appear to me that that might be one of the solutions that if we went back to study this that would offer the people to come in for dinner at five o'clock...the ability to feed the meters for the true length of time or the salons or other, so that might be part of the solution that should be looked at and I would, at this time, make a motion to table this so that we have the opportunity to further study the issue.

Mayor Baines interjected there are a couple of more people I did promise that we could discuss that.

Alderman O'Neil stated I agree with Alderman Guinta that if this didn't come out of committee it would have died there last week and that's one of the reasons why I moved it along to at least go out for discussion to happen at the full Board level because I do believe it would have died in committee. Alderman Gatsas is absolutely correct, this is at least our third time making changes. In my opinion, we never really had a true parking plan, we reacted to the opening of the civic center, staff did the best they could with it, but there was never a comprehensive parking plan and that leads into comments you made because it is

absolutely true that when you make changes to on-street meters that affects the lots and the garages. When we make changes to the garages it affects the on-street meters, etc. etc., etc. and we probably really do need a comprehensive downtown parking plan that addresses not only the on-street meters, the garages, the lots, all of our various bag programs, our tag programs...well, those are my thoughts.

Mayor Baines stated not to bring up an unpleasant subject about doing some reconfiguration of government entities that was one aspect that we were talking about...bringing in some traffic expertise within that department to deal with this issue on an on-going basis.

Alderman Guinta stated, Chief, one of the complaints you said you received is that people don't know when to feed the meters, I would just reiterate is that all they have to do is read the meter to determine when to feed the meter because there is a sticker on every meter.

Chief Jaskolka stated that's all they have to do but they don't.

Mayor Baines stated I go to the corner store everyday...No Parking from here to corner...people park there all the time, they don't pay any attention to those signs, they pull right up on sidewalks...that answers your question, people don't read them.

Alderman Guinta stated let's just get to the revenue issues because I think that members of the Committee asked both Police and Traffic to address revenue only. Jim, you're saying that it's pretty much impossible to figure out and you gave figures anywhere...the fiscal impact on the traffic side would be anywhere from \$25,000 on the low end to \$150,000 on the high end, is that correct?

Mr. Hoben replied yes that is how we figured it.

Alderman Guinta stated so just from a fiscal impact, strictly from a fiscal impact anywhere from \$25,000 to \$150,000. For the Chief you had a more refined figure because you can determine it by way of tickets and that roughly was \$128,000 over a period of one year, correct.

Chief Jaskolka replied that's correct and that's based on the minimum parking fine of \$10.

Alderman Guinta stated so for everyone on the Board who's asking for specific number, those are the specific numbers...\$128,000 and change for a period of one year July 2002 to July 2003 for Police and anywhere from \$25,000 to \$150,000 for Traffic. So, you've got your fiscal impact. All we need to do as a Board is firm up the policy whether we want to move forward with the request. We can do all of the studying we want, but the greatest concerns that have been expressed by opponents of this is revenue and that seems to be...over the course of the last three years when we're talking about changing it has always been bound to revenue. Not just you...

Mayor Baines interjected from my perspective it has never been a revenue discussion but you have to discuss revenue because there isn't a revenue, but it's not put in place for revenue, I absolutely agree with you.

Alderman Guinta stated let me ask you a question. Do you...you said it's not about revenue we have to discuss it...I would agree with that. Are you saying that policy is about meters and should not be about revenue?

Mayor Baines replied it is about revenue because you collect money.

Alderman Guinta stated I know but I'm asking you as a matter of policy do you feel that the amount of time we set to pay the meters should be about revenue?

Mayor Baines replied I don't think meters have ever been established for the purpose of revenue; that is the best I can answer that question.

Alderman Guinta stated I am asking about your particular position.

Mayor Baines replied as I understand I think I've answered it.

Alderman Guinta asked as you understand your own position?

Mayor Baines stated I've been through some depositions lately, so I'm not sure exactly what I'm saying.

Alderman Gatsas stated the entrepreneurial spirit downtown with some of the business owners that are pretty good down there about parking take their cars, park them at the meters and free up their lots and charge \$15 to park in their lot and take up the meters that are parked on the side of the streets. So, the entrepreneurial spirit certainly shows that they understand how to beat the meter game when you're around the civic center. So, I could care less about the revenue stream. My concern is about the businesses downtown and whether removing that eight o'clock and I can't tell you where, Chief, that insignia is...whether it's on the front end or the back end where you put your money or it's not where you put your money but maybe we need a big "8" at the top so people understand they've got to put money in the meters until eight o'clock. But, I think it's more important that the businesses downtown understand that they could get hurt because people could be parking there for four hours and not moving.

Alderman O'Neil stated I need to apologize to the Traffic Department, I didn't realize there was a handout from the table tonight. So, Jim, I apologize.

Alderman Shea stated I think we've discussed this...I think everyone knows where their position might be and I'd like to either move the question or do something so that we can make a final...Alderman Sysyn duly seconded the motion to move the question forward for a vote. There being none opposed, the motion carried.

Mayor Baines read the motion to move the question of recommending that all metered parking be changed from Monday-Friday, 8AM-8PM to Monday-Friday, 8AM-6PM.

Roll call vote requested by Alderman Lopez.

Deputy City Clerk Johnson stated there's a question as to what the question was. We had it recorded as a motion for discussion. We don't have a motion on the floor to approve.

Alderman O'Neil interjected thank you for the clarification.

Alderman Gatsas moved to table the report of the Committee on Traffic. Alderman O'Neil duly seconded the motion. A roll call vote was taken. Aldermen Gatsas, O'Neil, DeVries and Roy voted yea. Aldermen Guinta, Sysyn, Osborne, Lopez, Shea, Garrity, Smith, Thibault and Forest voted nay. Alderman Porter was absent. The motion failed.

Alderman Shea moved to accept the report and move the question. Alderman Lopez duly seconded the motion. A roll call vote was taken. Aldermen Lopez, Shea, DeVries, Garrity, Smith, Thibault, Gatsas and Sysyn voted nay. Alderman Forest, Roy, Guinta and O'Neil voted yea. Alderman Porter was absent. The motion failed.

Mayor Baines stated I am going to call on Robert MacKenzie.

Mr. MacKenzie stated for myself we're briefly talking about whether the Board would want us to hire a professional parking consultant just to review the practices of either the evening parking or a larger review of parking policy downtown.

Mayor Baines stated how about if we ask the Traffic Committee to consider that and perhaps the Finance Officer and the Planner to come in and discuss it with the Traffic Committee and then they could come back with a recommendation at the next meeting.

Alderman Forest stated I know you just asked for staff to look into it but I know I have something in committee about a parking control manager which we've approved and would appreciate their maybe waiting for that before we hire somebody.

Mayor Baines stated the parking control manager would be a budgetary item.

Alderman Forest stated it would be excepting that it's in committee which would probably address that if it comes out of committee.

Mayor Baines stated the Clerk will clarify.

Deputy City Clerk Johnson stated I believe what Alderman Forest is referring to is that the Traffic Committee and one of the actions it recently took requested actually the Clerk's Office to do a review and report back on all of the parking operations and there were a list of items they asked us to look at and to submit that to the committee. I think the items that the Board has talked about this evening is not contained necessarily in that report, it probably is a good idea for the committee to go back and look at.

Mayor Baines stated Alderman Smith you want a clarification on the vote.

Alderman Smith stated I believe we have 13 Aldermen here and there was a vote of 9 to 4.

Mayor Baines stated the vote was 9 to 4.

Alderman Smith asked why wasn't it proceeded on.

Deputy City Clerk Johnson stated 9 nays, 4 yeas...the motion had failed and we do have a motion for reconsideration that has been requested by Alderman Gatsas.

We have a Notice for Reconsideration that Alderman Gatsas is attempting to make, however, since the motion failed it's generally felt that there is nothing that can be reconsidered, he could certainly make another motion if the Chair wants to accept that motion, but the motion itself failed. So, it's not a reconsideration at this point because there was no action.

Alderman Gatsas stated the motion would be that this Board appropriate \$2,500 to get a professional company to do a marketing study about parking downtown and whether it would behoove the City to terminate the parking at eight o'clock or the metered parking at eight o'clock or six o'clock.

Mayor Baines stated that is basically what they were going to come into the next meeting of the Traffic Committee with some recommendations on how to do that.

Mr. Clougherty stated my understanding is if it's the Board's desire to get some information on parking the best way to do that would be to develop an RFP and issue that RFP and get some responses and in structuring the RFP you could put it in a menu fashion so that you could go from a marketing analysis all the way up to a comprehensive report and have people give you some idea of the range of fees. It's our understanding that \$2,500 may not be sufficient that you may be looking in the range somewhere from \$8-10,000 for a

minimum study up until much higher for something more comprehensive, but your RFP would get you that range and then you could make decisions on what you want to do.

Mayor Baines asked can we wait for staff to get something together on that and bring it to Traffic at the next meeting.

Alderman Gatsas asked did you accept my motion so we could do that, your Honor?

Alderman Gatsas moved to refer back to committee and request staff to prepare a proposal for a parking study of the downtown area for submission to the committee. Alderman Guinta duly seconded the motion. There being none opposed, the motion carried.

On motion of Alderman Thibault, duly seconded by Alderman Garrity, it was voted to recess the regular meeting to allow the Special Committee on Riverfront Activities and Baseball to meet.

Mayor Baines called the meeting back to order.

A report of the Special Committee on Riverfront Activities and Baseball was presented recommending that with regard to the riverfront stadium project, 12,000 square feet of retail space be replaced with twelve additional housing units as requested by the developer; and further that the Mayor be authorized to execute appropriate documents to reflect such changes. The Committee notes that such replacement will constitute a reduction in overall retail from 30,000 square feet to 18,000 square feet.

Alderman Lopez moved to accept the report of the Special Committee on Riverfront Activities and Baseball. Alderman Smith duly seconded the motion.

Alderman Gatsas asked can someone explain to me why this is coming to the full Board. I thought the Committee on Riverfront Development had full control.

Mayor Baines replied not on this part of it. The City Solicitor will advise the Chair.

City Solicitor Clark stated when the Board authorized the set up of the Special Committee and when they passed the motion delegating authority it was specifically asked whether or not that committee would be given the power to change the master documents and the requirements therein and the Board was informed at that time that they could not allow any such changes would have to come back to the full Board.

Alderman Gatsas stated so this is a change to the master agreement.

City Solicitor Clark replied yes.

Alderman Gatsas asked does that change in any way infringe on any Letters of Credit.

City Solicitor Clark replied no.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Mayor Baines stated I've said to the Board if you have...or people in the public are interested in serving on various boards or commissions could you send letters to the Mayor's Office so we do have vacancies that will be occurring on the Planning Board and the Zoning Board and various other boards in the City and I do welcome applications from the public and recommendations from the Aldermen.

Mayor Baines made the following nominations:

Planning Board

Ray Clement to fill a vacant position, term to expire May 1, 2005.

Harold Sullivan to fill the unexpired alternate term of Ray Clement, term to expire May 1, 2004.

Parks, Recreation & Cemetery

Sandy Lambert to fill the unexpired term of Tom Murphy, term to expire July 7, 2004.

Alderman Garrity stated I've known Sandy Lambert for quite some time and has spent quite a bit of times on the fields in south Manchester as a coach and she will be a great asset to the Parks and Recreation Commission and moved to suspend the rules and confirm the nominations as presented. Alderman DeVries duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines stated I am also announcing this evening that I am appointment Alderman Dan O'Neil as Vice-Chairman of the Committee on Finance and per rules of the Board all other Aldermen shall serve on that committee.

Alderman Shea stated personally I take this as a personal affront. There has never been a Chairman of the Board that has not been in charge of Finance, so I take this as a personal affront, your Honor. You said that we would work together. You're working behind my back and I want the public to know that. So, you can put your cronies in power, but I will still be someone that will be very, very instrumental and I can speak for members of this Board who are very disappointed. I've heard several come up to me and they're very disappointed in your doing this because this is...I was here when Alderman Cashin was a Chairman of the Board, he was Chairman of Finance. I was here when Dave Wihby was Chairman of Finance and Mr. O'Neil was Chairman of Finance and, therefore, you can

appoint whom you want, but I'm personally taking this as an affront. Thank you, your Honor.

Mayor Baines stated the Mayor is Chairman of Finance.

Alderman Shea stated that is correct and you have that under Rule 12, page 114.

Alderman Thibault stated I would like the indulgence of the Board to bring number 16 up right away so we don't have to hold these people up any longer than we have to, if we could hear it right now.

Mayor Baines addressed item 16 of the agenda:

- 16.** Rezoning petition submitted by the Raphael Social Club requesting an extension of the B-2 district in the vicinity of Granite Street, Second Street, School Street and the on-ramp to 293.
(Note: Technical review to be submitted by Planning)

Alderman Thibault moved to refer the rezoning petition to public hearing on March 22, 2004 at 7:00 PM in the Aldermanic Chambers of City Hall and to the Committee on Bills on Second Reading. Alderman Smith duly seconded the motion.

Alderman O'Neil stated I just wanted to congratulate Attorney Arthur Connelly on having the civic lessons for the members of the Raphael Club this evening, they sat through some interesting discussions.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 15 of the agenda:

- 15.** Communication from Attorney N. Lazos submitting a rezoning petition for 55 Riverfront Drive on behalf of his clients Pease/Vailas Realty Holdings, LLC requesting building heights of 45 feet where three stories are allowed in the R-3 zones and noting this to be consistent with RSM districts.
(Note: Technical review to be submitted by Planning)

Alderman Forest moved to refer the rezoning petition to public hearing on March 22, 2004 at 7:00 PM in the Aldermanic Chambers of City Hall and to the Committee on Bills on Second Reading. Alderman DeVries duly seconded the motion.

Alderman Gatsas in addressing Messrs. Vailas and/or Pease asked obviously the change in the roof pitch...what does that change on increasing construction costs.

Mr. Elmer Pease replied in answer to your question usually a 6/12 pitch roof or greater is more expensive than a flat roof design.

Alderman Gatsas asked by how much a square foot?

Mr. Pease replied depending upon what the ultimate architectural look of the roof would be, if there are any spires, clock towers or...

Alderman Gatsas stated I hope that's what you're giving us as a...

Mr. Pease stated what we've depicted in that typical 6/12 roof design...but the Planning Board does have some architectural latitude and may require additional features. I know one of the things that came up was making sure that we architecturally hide roof vents and things like that.

Alderman Gatsas asked how many units are here.

Mr. Pease replied 68.

Alderman Gatsas stated in one building.

Mr. Pease replied correct.

Alderman Osborne stated the reason why you're going to what I call a "hip" roof, the A-frame hip roof...my main concern there is snow load, that's another good...

Mr. Pease stated snow load and architectural look.

Alderman Osborne stated the snow load is a biggy though, right.

Mr. Pease stated yes.

Mayor Baines called for a voted on the motion. There being none opposed, the motion carried.

On motion of Alderman Thibault, duly seconded by Alderman Garrity, it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

OTHER BUSINESS

12. Report of the Committee on Finance was presented recommending that Resolutions:

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Twenty Five Thousand Nine Hundred Twenty Dollars (\$225,920) for FY2002 CIP 712402 WIN-1 Relocation Design Project.

“Amending the FY1999, 2000, and 2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Sixty Eight Thousand Two Hundred Twenty Eight Dollars and Fifty Eight Cents (\$68,228.58) for FY2003 CIP 713103 Sewer Infrastructure Project.”

“Amending the FY2000 and 2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Six Thousand Eight Hundred Six Dollars and Eighty Seven Cents (\$26,806.87) for FY2003 CIP 712003 FBI Recuperator Project.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Ten Thousand One Hundred Sixty Dollars (\$10,160.00) for FY2004 CIP 411904 Project Safe Neighborhoods.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Two Hundred Forty Eight Dollars and Eighty Cents (\$2,248.80) for FY2004 CIP 412004 Speed Enforcement Program.”

“Authorizing the Finance Officer to effect a transfer of Two Thousand Dollars (\$2,000.00) from Contingency to Civic Contributions.”

“Authorizing the Finance Officer to effect a transfer of Four Thousand Seven Hundred Fifty Dollars (\$4,750.00) from Contingency to Civic Contributions.”

ought to pass and be enrolled.

Alderman Osborne moved to accept, receive and adopt the report of the Committee on Finance. Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

13. Communication from Mayor Baines regarding a letter from the U. S. Department of Justice, Federal Bureau of Prisons reflecting a request for RFP's for halfway house services in the Manchester area and recommending that this issue be referred to a staff committee, chaired by Chief Jaskolka with members to include Bob MacKenzie, Tom Clark, Leon LaFreniere and representing my office, Michael Colby.

Alderman Thibault moved for discussion. Alderman DeVries duly seconded the motion. There being none opposed the motion carried.

Alderman Guinta asked has there been any other correspondence other than this as to what specific sites.

Mayor Baines replied no.

Alderman Gatsas asked are you saying that you've been informed that they say they're doing one here in the City?

Mayor Baines requested Chief Jaskolka address the Board.

Mayor Baines stated the letter states Manchester and Hillsborough County area.

Chief Jaskolka stated back on December 18th I met with Tom Tarr who is the Chief Probation Officer for the District of New Hampshire. At that time, he came in to inform us that they were looking into putting a they call it a community sanction center which is their words for a halfway house somewhere in the Manchester area. The reason for the Manchester area is that we have the services and we have public transportation to get the people to and from the services they need, AA, NA, Job Corps so on and so forth along with an abundance of jobs they can get themselves into.

Alderman Gatsas stated I'm reading this letter Chief and the purpose of this letter is to inform you that the Bureau of Prisons has issued a request for proposals for a community sanction centers or halfway house services in the Manchester/Hillsborough County. Now, that looks like if we don't want to participate we don't have to.

Chief Jaskolka stated the letter for request is to have other agencies bid on the proposal. These halfway houses are privately owned and not run by the federal government. There's companies that run these halfway houses and they staff them, they train the personnel. They essentially watch over the people but they have no powers over them; that's US Probation that has powers over the people there. If there's a problem within the house they're going to call the local police department wherever it happens to be. If there's a problem then it's the US Marshall's that have to actually come in and take them back to the Bureau of Prisons.

Alderman Gatsas asked who actually owns the property?

Chief Jaskolka replied I'm not sure, but I believe that the bidders will look for a piece of property and then set that up. I'm not one hundred percent sure on that though. I've had one meeting with them and essentially they said we're coming in or we're looking to come in because of the services and transportation that you offer.

Alderman Gatsas stated if it's not a government entity then they would still have to follow ordinance protocol and zoning protocol.

Chief Jaskolka replied exactly. They would have to come in and get the permits for that type of structure. I believe what they are looking at is a 20-bed structure.

Alderman Gatsas asked are those prisoners from the federal prison in Berlin or could they be from any place in the country.

Chief Jaskolka replied they're federal prisoners and they could come from any where in the country. What they want to do with the theory behind these centers is to bring these people back to their community, find them employment and bring them back with their families, get them established in their community before they're actually released into the community.

Alderman Guinta asked do we have the authority or the ability to say we do not want this facility located in Manchester?

Chief Jaskolka replied I'm guessing we could deny them the permits. I think...

Alderman Guinta asked do you have a position as the Chief of Police as to whether we should participate or whether we should express reservations.

Chief Jaskolka replied obviously I would oppose bringing federal prisoners in, however, it's something that they're going to go forward with and hope that they get the proper permits to be able to open the center.

Alderman Guinta asked is there a procedure by which we can express your opposition and whatever the Board's position may be before they go any farther in the RFP process?

Chief Jaskolka stated I think we need to be very much aware of...

Mayor Baines stated this is uncharted waters for us, I know they came in to meet with me and they were looking at the area and they met with the Chief and then they followed it up with this letter and that's the reason why I brought it to the Board. Obviously as Mayor I can't say you can't come here, but I'm sure the Board can take a position. I don't know if the City Solicitor can advise any further on that.

City Solicitor Clark stated I believe the Board has the full authority to tell them that they do not want this in their community. It doesn't mean it would stop it. I don't know enough about it at this point as this is the first I've learned about it is when we got the agendas. I talked to the Chief briefly tonight before the meeting for maybe two or three minutes and we're going to get together shortly to try and figure out what our roles are.

Mayor Baines stated just to clarify in the letter it says "this ensures local communities are fully aware of the proposed CSC and have the opportunity to provide their comments or concerns. We acknowledge that communities and neighborhoods may be concerned when a CSC establishes itself in their midst. However, we have found that CSCs are good neighbors, etc., etc., etc.". So, if the Board would so wish to communicate, we would

communicate it to the US Attorney and other involved that they wish Manchester not to be considered.

Alderman Guinta stated I appreciate your reading the portion that you did but I'd just consider reading the last sentence in that paragraph... "however, they can be effective only if they enjoy the support of those communities." And, I had some discussions with the DOG on this a couple of months ago as well...they were kind enough to give me a heads up and I expressed my reservation at that time and they really prefer the benefit of community support. So, I think if we, as a Board, determine that we don't want to support this City of Manchester for whatever reasons I would strongly advise that we make that position known.

Alderman O'Neil stated in reading this letter they're actually not federal prisoners, they're out on probation.

Alderman Guinta interjected no.

Alderman O'Neil stated it says "offenders who are transferred from correctional institutions to the community for release programming, and offenders under the supervision of the US Probation Office."...so, they're not prisoners and what I interpret here is they're just trying to come up with a program. My guess is these people are coming to Manchester anyway. Are these people living at New Horizons and all that. They're going to come here because this is where the services are whether they're in a supervised program or they're in an unsupervised program.

Chief Jaskolka stated you're absolutely correct. First of all, these prisoners are coming out of federal prison. Normally, they have anywhere from...they include 85% of their term or have 10% of their term left when they come out. Again, the reason they come back to this community from wherever they are housed is because they're from this community. So, the purpose of the CSC is to reestablish them in the community.

Alderman O'Neil asked am I correct to say that these people are probably coming here whether this halfway house is here or not. This is where they're from, this is where the services are, they're here today.

Chief Jaskolka replied this is where they're from and that's why they're coming back to this area. Whether or not they come back when they get out is totally up to them, but the purpose for the CSC is to bring them back to their community and get them reestablished in their community.

Alderman O'Neil stated so there is no data for whether or not they return to the communities they were from when they're released anyway, whether there's a halfway house or not.

Chief Jaskolka replied I don't know, I don't have that information, Alderman.

Alderman O'Neil stated that would just be my gut that they're going to go back to the communities their from or they're going to go...for the same reasons they want to do this here, they're coming here anyway and I think we should find that out.

Mayor Baines stated we could. One of the vehicles that we could use, obviously, they've talked to you and they've talked to me and I think it might be a good opportunity for the Board or a sub-committee of the Board to invite the US Attorney and representatives from the Federal Bureaus of Prison to come in and answer these questions and then the committee could come back and make a recommendation to the Board whether we should actually take an official position. Would that kind of approach be acceptable to the Board?

Alderman Guinta stated I would be much more comfortable with having more information. I just want to expand a little bit on Alderman O'Neil's point. I think after the completion of their stay at a CSC, otherwise known as a halfway house, the theory is that they do tend to come back to the community in which they're from because they have no alternative financially or they have no network other than where they're from. So, I think their idea is to try to reduce the return to jail rates, so to speak, but that being said my concern still I guess would be to build one of these centers in Manchester. If it says Hillsborough County I know why they're looking at Manchester but I would feel much more comfortable...

Alderman O'Neil stated I think there's a need to gather some more information...are there others of these already in the State?

Mayor Baines replied I don't believe so.

Chief Jaskolka stated this would be the only one in the State which is the reason for wanting to put one up here. The closest one to us is in Boston and I believe that's a 100-bed facility.

Mayor Baines stated I was just confirming with the Clerk we do have the Committee on Traffic/Public Safety that has a mission to deal with that and if the Board is so inclined we could refer this to the Committee on Traffic and Public Safety and we could work with the Chief to make sure these people are invited to down come and appear before the Committee and then have the Committee review it and then come back to the Board with more information.

Alderman Thibault moved to refer the matter to the Committee on Traffic/Public Safety and the staff committee for review and further report, and request that Mayor Baines advise the U.S. Dept. of Justice that there were definite issues with locating a "halfway house" in the City. Alderman DeVries duly seconded the motion.

Alderman Lopez stated this has to be accomplished by March 9th am I correct or am I reading this wrong. Has any agency contacted either you or the Chief of Police if they wanted to start something like this in Manchester.

Chief Jaskolka replied I believe the only agency that I have on file is Bannem, Inc. out of Clearwater, Florida that sent in a letter of interest setting up one of these in the City.

Alderman Lopez stated along the same lines as the City is concerned is this staff that we're putting together...are they going to make a determination to make a recommendation as to whether we want to start something like that in the City.

Mayor Baines replied no it was really do act as a sounding board for the Federal Bureau of Prisons interacting with City government...the City Solicitor, Building Department...would get involved in issues that would surface and obviously from a planning perspective if there was a request for proposals the Bureau came in and said this is what we have here that you have staff here that says you can't do that here.

Alderman Lopez stated there's not RFP from any agencies...

Mayor Baines stated there could be but we would not be aware because they would have to come through the process of City government, so I think this is a good way to just get more information, make an informed decision and move forward with that.

Alderman Guinta stated I think there is a little prime sensitivity here though because the RFP closes on March 9th...if we don't voice a position between now and then I think they need to go forward. So, I wonder if maybe we should consider expediting this process, have the EOJ come to meet with the Mayor, the Chairman of the Board and maybe one or two other Aldermen and then we get a written report so we can...

Mayor Baines stated I would just agree to convey that as quickly as possible to have that dialogue take place. I think that I can, based upon this meeting tonight, is to convey the Board's concerns and I'll do that first thing tomorrow morning and I'll call the US Attorney and inform them that the Board does have concerns about this and urge them to proceed in a very cautious manner before any decisions are made.

Alderman Gatsas stated if somebody makes an RFP that has zoning now for a boarding house for 20 people there is no reason to go to the Building Department or anyone else.

Mayor Baines asked Mr. LaFreniere to respond.

Mr. LaFreniere stated an establishment with that type of use within the City would require a permitting process in any case. We had been contacted by at least three vendors for this particular use over the last 14 days or so one of which was this particular agency that the Chief referred to...that was the only written request we have received and we forwarded it to the Police Department seeking advice on the nature of these facilities because obviously there nature of the facility...the way that the operation has been described to us it sounds like it meets ordinance criteria, boarding house, congregate housing...use of which are provided for, so I think the convening of this committee to determine exactly what our legal limitations are with regard to this is definitely the way to go.

Alderman Gatsas stated let me ask you the question a little simpler so you can give me a yes or no answer. If somebody puts in a RFP on a particular rooming house that's already in existence do they need to come to the Building Department to put this establishment there?

Mr. LaFreniere replied if it's an existing facility then may not have to. If there are no changes proposed.

Alderman Gatsas stated you've had three or four inquiries.

Mr. LaFreniere stated the inquiries that we've had have been in the nature of what zoning districts would a facility of this nature be permitted in. We have had absolutely no specific inquiries for a special site.

Alderman Gatsas asked has anybody...have you looked at what the specifications are for the RFP...in other words, if there are 20 rooms and if the federal government is paying \$40,000 per person that certainly would make it a very lucrative contract for somebody to find an existing rooming house that means no changes.

Mr. LaFreniere stated the description of the use that I have seen thus far has been provided by this particular vendor who was inquiring as to how we would categorize the lease. Until the agenda came out, to be honest with you, I was unaware that there had been some criteria that had been established by the OAG.

Alderman Guinta stated one question you said, I think the Chief said, this would be the first of its kind in New Hampshire. Do you what the federal prison in Berlin...how many inmates that's going to house?

Chief Jaskolka replied I don't know.

Alderman Guinta stated if it's 1,800 and this is going to be the only one in existence in New Hampshire most likely when those prisoners are released they're coming to Manchester, but

we need to be thinking about the future impact not only today but how it's going to impact us down the road.

Alderman Shea stated if a halfway house were established do you anticipate that because of the situation that it would impact your department and if so how would it impact it?

Chief Jaskolka replied the inmates that have been released to this particular type of facility are usually your white collar substance abuse and in some cases sexual offenders of the internet type.

Alderman Shea asked would this impact your department in terms of your responsibility to be involved in any kind of...

Chief Jaskolka replied being that they're federal prisoners we can be called there if there's a disturbance in the house itself. If they decide to walk out of the house that becomes a federal matter and unless we get some type of warrant and notification from the U.S. Attorney's office we can't arrest that person. The U.S. Marshall's would have to be called and the Marshall's would actually have to come in and take custody. Being that the Marshall's are not a 24/7 service in most cases we would have to wait till the next day if we were to detain the person or the person would be out on the street until such time the Marshall's got involved.

Alderman Shea stated this would be a form of privatization.

Chief Jaskolka stated it's a private facility, it's owned by a private company, yes.

Alderman Shea stated so would neighbors where such a place were started...would they be notified concerning the impact of the neighborhood that it might be situated in, would they have any say in it or would it just be plunked there and they would have to accept it?

Chief Jaskolka replied depending on where the building is located that they find, I'm not sure if they would come in and actually have a community meeting with the neighborhood or they would just go through the process of identifying a building, then purchasing the building and opening up shop there.

Alderman Shea stated normally when you have some sort of a change of neighborhood situation usually the abutters are notified and given a chance to be involved. I don't want to carry this too long but I think these are some of the questions that Alderman Guinta is sort of relating to, I guess, I'm not sure.

Mayor Baines stated I would recommend that we move forward with this and that I will make the call first thing tomorrow morning to the US Attorney about this and then we can start moving this thing forward.

Alderman O'Neil stated just a point, we have other halfway houses in the City of Manchester today. People don't even know where they are for the most part because they're pretty good neighbors, so let's not overreact that this is the first time we're going to have a halfway house in the City of Manchester, we have numerous halfway houses.

Mayor Baines interjected and I've visited a number of them and they are very well run institutions, etc., etc., but let's be prudent and move forward.

Alderman Forest stated along the same lines as Alderman O'Neil...with the exception of the sexual offenders if a federal prison inmate gets released today, moves into my neighborhood or Alderman O'Neil's neighborhood or your neighborhood you wouldn't notify the abutters that he's there or that that person is there.

Chief Jaskolka replied no.

Alderman Forest stated this halfway house actually lets them out to get them used to the community because they would be coming back here anyway, correct.

Chief Jaskolka stated that's the purpose of the halfway house to get them reinitiated into the community.

Mayor Baines called for a vote on the motion. There being none opposed the motion carried.

- 14.** Communication from Thomas Bowen, Water Works Director, requesting to allow Ms. Theresa McNeil special leave per Code of Ordinance 33.076(B) from February 6th through the first week of April, 2004 in order to provide medical assistance and home care to her son who was recently injured in an automobile accident.

Alderman Smith moved to approve Ms. McNeil's special leave per Code of Ordinance 33.076(B) from February 6th through the first week of April, 2004. Alderman Osborne duly seconded the motion.

Alderman Gatsas stated I don't have a problem with it but I would just like an explanation because I though Family Leave...doesn't the City recognize Family Leave.

Mayor Baines stated I think it has to come to the Board, the ordinance...the way the ordinances are structured now it has to come to the Board now.

City Solicitor Clark stated it was understanding that her Family Leave has already been exhausted. Under the ordinances the department head can authorize up to ten days of leave but other than that it has to come to the Board.

Mayor Baines asked is that the correct explanation, Tom?

Mr. Bowen replied yes that is correct. She's already used up all of her Family Medical Leave and she's looking for the leave for the next two months.

Mayor Baines stated this was endorsed by the commissioners.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

17. Resolutions:

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Twenty Five Thousand Nine Hundred Twenty Dollars (\$225,920) for FY2002 CIP 712402 WIN-1 Relocation Design Project.

“Amending the FY1999, 2000, and 2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Sixty Eight Thousand Two Hundred Twenty Eight Dollars and Fifty Eight Cents (\$68,228.58) for FY2003 CIP 713103 Sewer Infrastructure Project.”

“Amending the FY2000 and 2003 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Six Thousand Eight Hundred Six Dollars and Eighty Seven Cents (\$26,806.87) for FY2003 CIP 712003 FBI Recuperator Project.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Ten Thousand One Hundred Sixty Dollars (\$10,160.00) for FY2004 CIP 411904 Project Safe Neighborhoods.”

“Amending the FY2004 Community Improvement Program, authorizing and appropriating funds in the amount of Two Thousand Two Hundred Forty Eight Dollars and Eighty Cents (\$2,248.80) for FY2004 CIP 412004 Speed Enforcement Program.”

“Authorizing the Finance Officer to effect a transfer of Two Thousand Dollars (\$2,000.00) from Contingency to Civic Contributions.”

“Authorizing the Finance Officer to effect a transfer of Four Thousand Seven Hundred Fifty Dollars (\$4,750.00) from Contingency to Civic Contributions.”

On motion of Alderman Forest, duly seconded by Alderman Thibault, it was voted to dispense with the read of the Resolutions by titles only, and it was so done.

Alderman Sysyn moved that the Resolutions pass and be enrolled. Alderman Osborne duly seconded the motion. There being none opposed, the motion carried.

TABLED ITEM

18. Report of the Committee on Community Improvement recommending that the Board authorize transfer and expenditure of funds in the amount of \$40,000 (Other) for CIP 511603 Recreation Facility Improvements (Leveraged) Project. (Tabled 12/02/2003 per request of Alderman DeVries.)

This item remained tabled.

NEW BUSINESS

4. Presentation of draft FY2003 Comprehensive Annual Financial Report (CAFR) and draft Management Letter prepared by McGladrey along with departmental response.
Note: Related communication from Alderman Osborne requesting the contract compliance issue noted in the management letter be referred to the Committee on Administration.

Mayor Baines stated I apologize because this should have been addressed earlier.

On motion of Alderman Osborne, duly seconded by alderman Lopez, it was voted to refer Alderman Osborne's communication to the Committee on Administration/Information Systems.

Alderman Shea stated I appreciate your sending e-mails to department heads and as my memo indicated one of the problems that the Aldermanic Board has is not getting prompt responses (in certain instances) from department heads and that holds up the process and I know that several matters have to be tabled at different committee meetings simply because we're not getting the prompt response. So, if you would continue to do that.

Mayor Baines stated as soon as I get your communication I sent it out to department heads and it was actually followed up by Joan Porter who coordinates the meeting of department heads so that has been reinforced and I appreciate it. It's good to be reminded of that.

Alderman DeVries asked do we need to take any action on the St. Patty's Day Parade.

Mayor Baines replied no.

Mayor Baines stated for those of you who are interested on March 16th at 7:30 AM at the Center of New Hampshire we're sponsoring the Fourth Annual Mayor's Blarney Breakfast for March of Dimes and Special Olympics. If people are interested in tickets please contact the Special Olympics office here in Manchester.

There being no further business to come before the Board, on motion of Alderman Smith,
duly seconded by Alderman Guinta, it was voted to adjourn.

A True Record. Attest.

City Clerk